

EXHIBIT 2 -

Order dated 12/13/21
in *SEC v. The Heartland
Group Ventures, LLC, et
al.*, 21 Civ. 01310, D.E.
51 (N.D. Tex.)

Defendant argues that his good faith cooperation with the SEC is “frustrated by Rule 506(d)(1), which disqualifies private offerings from registration exemptions when certain ‘bad actors’ participate.” Def.’s Resp. 2, ECF No. 48. If Brunson is deemed a “bad actor,” he will be “de facto enjoined from participating in private oil and gas securities offerings for at least the next five years.” *Id.* at 3.

Meanwhile, the SEC asserts that to exempt Brunson from the “bad actor” designation “would be contrary to the public interest and leave investors at risk during the pendency of the action.” SEC’s Resp. 7, ECF No. 49. The SEC uses a number of factors to determine whether a “bad actor” has shown good cause for a waiver. Having assessed these factors based on the record, the SEC determined that waiver is not appropriate for Brunson.

Having considered the briefing, the Court **DENIES** Defendant’s request to include the additional “No ‘Bad Actor’ Disqualification” provision in the Agreed Preliminary Injunction.

Having resolved the matter, the Court **CANCELS** the hearing scheduled tomorrow, December 14, 2021, and will enter the proposed Agreed Preliminary Injunction Against Defendant Rustin Brunson.

SO ORDERED on this **13th day of December, 2021.**


Reed O'Connor
UNITED STATES DISTRICT JUDGE